**Fiscal Facts: Wisconsin’s Ranks in School Spending, Tax Burden Fall Together**

Wisconsin's national rank on per-pupil school spending continues to fall, newly released data show. Notably, this comparative drop in education spending – the largest single expense for state and local taxpayers – has occurred alongside a drop in Wisconsin’s tax burden.

In 2020, Wisconsin spent $12,740 per pupil on elementary and secondary education, recently released data from the U.S. Census Bureau show. That was 5.6% below the national average, and it ranked Wisconsin 25th in per-pupil spending among the 50 states, down from 24th the previous year and from 11th in 2002. The state’s rank in PreK-12 spending has declined or remained the same each year with one exception (23rd in 2016 to 22nd in 2017) as other states increased their education expenditures more rapidly.

Per-pupil spending on public PreK-12 schooling in Wisconsin grew from $8,574 per pupil in 2002 to $12,740 in 2020, an increase of 48.6% that was the third smallest of any state after Idaho and Indiana. Over the same time period, the nation’s per-pupil spending grew by 75.2%. These figures are not adjusted for inflation, which rose 43.9% over those years.

The drop in Wisconsin's per-pupil spending rank occurred over the same years the state was reducing its tax burden, the share of income paid in state and local taxes. From 2002 to 2019 (national figures are not yet available for 2020), this percentage dropped from 11.2% to 10.3%. This amounted to $2.59 billion less in state and local tax revenues collected in 2019 alone.

in Wisconsin and nationally, state and local taxes are the primary funding source for PreK-12 public education, and PreK-12 education is the largest expense for state and local governments combined. That relationship makes it challenging to hold down taxes over many years without consequently, at some point, limiting education spending.

Comparing Wisconsin’s total tax ranking among other states to its school spending ranking reinforces this point. From 2002 to 2019, Wisconsin dropped from collecting the fifth highest percentage of personal income in state and local taxes in the nation to collecting the 23rd highest. As noted above, Wisconsin dropped from spending the 11th highest amount on secondary and elementary education to spending the 24th highest over those same years.

Public policy is always an exercise in tradeoffs, and elected officials often seek to weigh the potential benefits of lower taxes against those of additional services. In the current 2021-23 state budget, state caps on school revenues may drive additional drops in Wisconsin’s school spending ranking.

Looking ahead, however, policymakers appear set to enter the next two-year state budget cycle, beginning in 2023, amid record state reserve levels. This may mean policymakers may not need to choose between further lowering the tax burden and increasing education spending here relative to other states.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*